



Farm Service Agency

News Release

Farm Service Agency
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**USDA ANNOUNCES 1998 NATIONAL POUNDAGE QUOTA, ADDITIONAL PRICE SUPPORT AND
EXPORT EDIBLE SALES PRICE OPTIONS FOR PEANUTS**

WASHINGTON, November 28, 1997 -- The Secretary of Agriculture must announce the 1998 national poundage quota for peanuts by December 15, 1997. The U.S. Department of Agriculture (USDA) expects the 1998 national poundage quota for peanuts to range from little or no change to a 4 percent increase from the 1997 level.

The potential increase in the national poundage quota reflects anticipated increased use of peanuts in peanut products during August 1997-July 1998.

The Secretary must announce the national price support level for additional peanuts by February 15, 1998. USDA expects the national average additional price support level for the 1998 crop peanuts to be set between \$132 and \$175 per short ton. The national average price support rate for quota peanuts, for each of the 1996 through 2002 crops, was set at \$610 per short ton by the Federal Agriculture Improvement and Reform Act of 1996.

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It is expected that the minimum Commodity Credit Corporation (CCC) sales price for 1998 crop additional peanuts for export edible use will be set between \$350 and \$400 per short ton or by formula. The minimum price has been set at \$400 per short ton the last 12 years, but some segments of the peanut industry feel this level is too high for the U.S. to achieve maximum competitiveness in world markets. A minimum price at which 1998 crop additional peanuts owned or controlled by CCC may be sold for use as edible peanuts in export markets is a discretionary action that, by practice, is usually announced on or before February 15, the same time that the additional peanut support level for the crop is announced.

CCC will publish notice of proposed determinations in the Federal Register on December 2. Requests for further program information can be directed to Kenny Robison, USDA, Farm Service Agency, Tobacco and Peanuts Analysis Staff, Room 5750-South Building, STOP 0514, Washington, DC 20250-0514, telephone (202) 720-9255. Interested parties should plan to make formal comments to Mr. Charles Hatcher, Director, USDA/FSA/TPD/STOP 0514, 1400 Independence Ave. SW, Washington, D.C. 20250-0514, by December 9, 1997.

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